



Functional Bureau Strategy

Bureau of Budget and Planning

FOR PUBLIC RELEASE

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1. Executive Statement and Mission Statement

The Bureau of Budget and Planning (BP) is the central budget office for the U.S. Department of State responsible for ensuring that American diplomacy is strategically planned and resourced. BP functions at the crux of Department operations, responsible for overseeing budgetary resources of approximately \$18 billion across 80 accounts, including direct appropriations, non-appropriated funds, trust funds, and off-setting collections. BP administers the Department's budget formulation and execution activities for Diplomatic Engagement (DE) appropriations and provides oversight of the Department's strategic planning and performance management initiatives.

BP's Mission: Justify and manage the Department of State's resources by delivering timely, accurate, and actionable information and advocate for the funding to achieve the Department's goals and objectives.

BP actively engages with the Department's overseas missions and domestic bureaus to guide the Department's development and implementation of the State-USAID Joint Strategic Plan (JSP) as well as bureau and mission strategies. Joint ownership of these processes, with our partners in the Office of Foreign Assistance, allows BP to serve as a centralized hub that aligns strategy from the highest levels of leadership to the most remote U.S. diplomatic posts and programs. Budget information from the Department's global operations is then consolidated into requests to OMB and Congress, and subsequent allocations to achieve strategic goals and objectives.

BP also oversees the development of internal Department performance and budgetary systems that support DE resources, such as the Planning and Performance System (PPS) and the Budget Formulation and Execution Module (BFEM). The BP Director serves as the Department's Performance Improvement Officer (PIO), a position established by the 2010 Government Performance and Results Modernization Act (GPRAMA). The PIO is responsible for advising and assisting Department leadership to ensure that the mission and goals of the Department are achieved through strategic planning, consistent measurement, rigorous analysis, regular assessment of progress, and the use of data to improve results.

The BP Functional Bureau Strategy (FBS) is aligned to the FY 2022-2026 JSP and is framed around four goals and ten objectives to guide bureau actions through 2026:

- Strategic Goal 1: Produce definitive and data-driven budget, planning, and performance recommendations and results that advance the Department's strategic priorities.
- Strategic Goal 2: Allocate resources in accordance with statute, financial guidance and regulations, and internal and external controls.
- Strategic Goal 3: Strengthen the Department's strategic planning and performance management to improve resource and program decision-making.
- Strategic Goal 4: Advance and optimize execution of BP's mission through focused investments and utilization of our talented workforce and information technology.

BP routinely reviews its performance goals and objectives to maximize results. The BP Director chairs Quarterly Strategy Reviews (QSRs), in which the bureau's managers and analysts report on results, consider risks and opportunities to achieving the goals and objectives, and make recommendations for maximizing performance. The end-of-year QSR is an all-staff meeting at which performance results for the fiscal year are discussed. Weekly budget and legislative review, funds control, management, and performance and planning meetings also provide opportunities for addressing risks to achieving the bureau's mission at a more granular level.

2. Bureau Strategic Framework

Bureau Goal 1: Produce definitive and data-driven budget, planning, and performance recommendations and results that advance the Department's strategic priorities.

- **Bureau Objective 1.1:** Facilitate the Department's budgetary decisions by using data analysis to inform resource recommendations on strategic priorities.
- **Bureau Objective 1.2:** Articulate and justify the Department's budgetary and strategic priorities to OMB and Congress.

Bureau Goal 2: Allocate resources in accordance with statute, financial guidance and regulations, and internal and external controls.

- **Bureau Objective 2.1:** Develop resource allocations based on relevant, accurate, and timely financial analysis and the Department's strategic priorities.
- **Bureau Objective 2.2:** Execute all funds in a timely manner and in accordance with applicable legal authorities, policies, and guidance.

Bureau Goal 3: Strengthen the Department's strategic planning and performance management to improve resource and program decision-making.

- **Bureau Objective 3.1:** Advance strategic planning as a tool for organizational management and decision-making.
- **Bureau Objective 3.2:** Facilitate the adoption of enterprise-wide performance management and learning processes to inform decision-making.
- **Bureau Objective 3.3:** Institutionalize stronger feedback loops in the Managing for Results (MfR) framework to better measure Diplomatic Engagement.

Bureau Cross-Cutting Management Goal 4: Advance and optimize execution of BP's mission through focused investments and utilization of our talented workforce and information technology.

- **Bureau Cross-Cutting Management Objective 4.1:** Model an innovative, collaborative, connected, and inclusive organizational culture through the empowerment of a skilled, diverse BP workforce.
- **Bureau Cross-Cutting Management Objective 4.2:** Streamline BP policies, procedures, and operations to enhance decision-making and efficiency.
- **Bureau Cross-Cutting Management Objective 4.3:** Implement modernized and better-integrated budget and performance IT systems.

3. Bureau Goals and Objectives

Bureau Goal 1: Produce definitive and data-driven budget, planning, and performance recommendations and results that advance the Department's strategic priorities.

- **Bureau Goal 1 Description:** BP's primary mission is to oversee preparation of the DE budget request (per [4 FAM 100](#)). BP evaluates the effectiveness of agency programs, policies, and procedures; assesses competing demands for funding among bureaus; analyzes sources and availability of funding; and translates priorities identified by Department leadership into allocation recommendations. Budget formulation comprises multiple steps – including the use of data to validate assumptions – to ensure that bureaus and offices clearly identify their needs, and that requested funds contribute to the Department's mission. This work is guided by OMB Circular A-11 as well as annual appropriations legislation. BP refers to OMB Circular A-11 in crafting each fiscal year's resource request guidance materials to the Department's missions and bureaus, the Department's OMB Submission, and the final President's Budget Request. In the 2022-2026 period, BP will incorporate data and evidence in guidance to missions and bureaus and to produce budgets on behalf of the Department that better articulate opportunity costs and returns on investment. As a commitment to continuous process improvement and effectiveness, BP will identify and address inefficiencies and bottlenecks in its internal operations, leading to higher quality documents produced more efficiently.

Bureau Objective 1.1: Facilitate the Department's budgetary decisions by using data analysis to inform resource recommendations on strategic priorities.

- **Bureau Objective 1.1 Justification and Linkages:** Budget formulation identifies and prioritizes spending for future requests. The annual process begins with the Department's missions and bureaus making within-target resource tradeoff decisions and/or providing justification for modifications to existing program funding and requests for additional funding based on strategic priorities. BP's budget analysts must consider a wide range of information – that is submitted by the missions and bureaus, workforce trends and analyses, current or anticipated program outcomes, evidence of performance, strategic plans, and context – to make informed, sound recommendations to build the Department's budget. These efforts support all facets of the Department's mission and thus all JSP goals and objectives, but especially JSP Objective 4.2: Modernize IT and leverage data to inform decision-making and support mission delivery.
- **Bureau Objective 1.1 Risk Considerations:** It is difficult for BP to produce high-quality, sound budget analysis and recommendations to meet its mission requirements if comprehensive planning, performance, and resource data – including historical trends – are spread across disparate platforms or BP's internal processes do not account for data-informed decision making. To mitigate this risk, BP will continue to build the processes, platforms, and skills for its analysts to access and leverage all information relevant for sound decision-making.

Bureau Objective 1.2: Articulate and justify the Department's budgetary and strategic priorities to OMB and Congress.

- **Bureau Objective 1.2 Justification and Linkages:** BP advocates for the Department's portfolio of DE resources, particularly in its regular engagement with OMB and Congress. This involves articulating Department policies and strategies through a variety of means, including providing timely responses to questions from Congressional staff, formal "Questions for the Record" (QFRs) from Members of Congress, timely submission of initial operating plans for DE funds (see Objective 2.1), negotiations with OMB over each year's funding request, the annual submission to Congress of the President's Budget Request / Congressional Budget Justification (CBJ), as well as operating plans and congressional notifications as legislated. BP advocates for operational resources on behalf of the entire Department's JSP goals and objectives, but this most directly supports JSP Goal 4: Revitalize the diplomatic and development workforce and institutions.
- **Bureau Objective 1.2 Risk Considerations:** The number of stakeholders involved and the complexity of the CBJ production process increases the risks of delays, version control issues, and the inclusion of inaccurate or outdated information. To mitigate these risks, BP will continue to make improvements to its SharePoint Budget Build application, streamline the internal and external clearance processes, and make improvements to guidance and template resources.

Bureau Goal 2: Allocate resources in accordance with statute, financial guidance and regulations, and internal and external controls.

- **Bureau Goal 2 Description:** Budget execution follows legal and managerial procedures for allocating and distributing available budgetary resources in accordance with the law and established policy. Budget execution activities include but are not limited to: operating plans, apportionments, allotments, reprogramming actions, and funds control. OMB Circular A-11, Part 4, provides instructions on budget execution, including guidance on the apportionment and reapportionment process, as well as on budget execution and budgetary resources. Also highlighted in OMB Circular A-11 is 31 U.S.C. 1511-1514, which requires that apportionments and reapportionments be reviewed at least four times a year by the officials controlling the apportionments. This allows for the monitoring of the status of funds that were apportioned; helps program, budget, and accounting staffs to communicate; and provides historical reference that can be used to help prepare the State Operations budget, program operating plans, and spend-out rate estimates, and potentially reprogram funds for higher and emergent priorities. Regular reviews provide a basis to determine obligation patterns when programs are required to operate under a continuing resolution and help tie the Department's financial statements to budget execution.

Bureau Objective 2 1: Develop resource allocations based on relevant, accurate, and timely financial analysis and the Department's strategic priorities.

- **Bureau Objective 2.1 Justification and Linkages:** BP manages the submission of DE operating plans to Congress in accordance with OMB guidance (Circular A-11, Part 2, Section 52) and the requirements outlined in annual appropriations legislation, in coordination with the Bureau of Legislative Affairs. Operating plans set forth the specific resources that will be used by operating components of the Agency and the purposes for which the resources will be used. The operating plan is the beginning of the budget execution process and provides the linkage between the policies, strategies, and significant proposed changes, if any, from current policies embodied in planned execution of funds. Developing and submitting operating plans prepares BP to make resource allocation recommendations based on total availability of appropriated resources, transfers, and carryforward funding. BP submits operating plans on behalf of the entire Department and thus advances all JSP goals and objectives, but it most directly supports Goal 4: Revitalize the diplomatic and development workforce and institutions.
- **Bureau Objective 2.1 Risk Considerations:** The ability to quickly produce high-quality, practicable operating plans is complicated by shifting timelines for annual resource appropriations and the need to collaborate with stakeholders across the Department. Each plan requires extensive communication and clearance within BP as well as with the relevant offices that is triggered by Congressional action to appropriate funds. To mitigate these risks, the bureau is focusing on identifying areas for improvement within the process of translating DE resources from appropriations to allocations to operating plans, with a focus on timeliness and quality.

Bureau Objective 2.2: Execute all funds in a timely manner and in accordance with applicable legal authorities, policies, and guidance.

- **Bureau Objective 2.2 Justification and Linkages:** The Antideficiency Act requires that agencies prescribe, by regulation, a system of administrative control of funds. The purpose of the funds control system is to monitor both obligations and expenditures (also known as outlays or disbursements) from each appropriation or fund account. This practice enables BP to mitigate risk and work with bureaus and offices to address any obligation or expenditure potentially exceeding the amount available in the appropriation or fund account, the OMB apportionment or reappportionment, the allotment or sub-allotments, any statutory limitations, and any other administrative subdivision of funds. BP administers funds on behalf of the entire Department's JSP goals and objectives, but it most directly supports Goal 4: Revitalize the diplomatic and development workforce and institutions.
- **Bureau Objective 2.2 Risk Considerations:** Risks to proper and timely funds administration are outdated or slow IT systems that lead to inefficiencies, delays, or technical errors when allotting funds. BP's funds control staff must also be equipped with the skills and technology needed to meet these demands. As a risk mitigation strategy, BP prioritizes the functionality of its budget IT systems and the skill development of its analysts in order to maintain rigorous, efficient oversight of funds.

Bureau Goal 3: Strengthen the Department's strategic planning and performance management to improve resource and program decision-making.

- **Bureau Goal 3 Description:** The Government Performance and Results Act (GPRA) and the subsequent 2010 GPRAMA require agencies to establish long-term goals and objectives as well as specific, near-term performance goals. Agency leaders at all levels of the organization are accountable for identifying meaningful goals and indicators and for setting ambitious – yet realistic – targets. To aid the Department in successfully delivering services to the public, BP leads a results-oriented culture of learning where both principles and staff constantly ask and answer questions that help them find and spread promising practices and policies.

Program management practices are driven by legislation such as GPRAMA the Foreign Aid Transparency and Accountability Act (FATAA; PL 114-191.), the Program Management Improvement and Accountability Act (PMIAA; PL 114-264), and the Foundations for Evidence-Based Policy Making Act (Evidence Act; PL 115-435). These laws institute best practices in planning and performance management and require the Department to conduct comprehensive analyses on the use of evidence in decision-making. BP integrates these efforts into its budget processes by linking resource request to results and continues to promote program evaluation through the Learning Agenda process. BP models the Managing for Results (MfR) framework to describe the integration of planning, budgeting, program management, and learning and to promote best practices in these areas throughout the Department.

Bureau Objective 3.1: Advance strategic planning as a tool for organizational management and decision-making.

- **Bureau Objective 3.1 Justification and Linkages:** In close collaboration with the Office of Foreign Assistance (F), BP manages a robust strategic planning process for missions, bureaus, and the enterprise. At the agency level, BP and F oversee the process for publishing the State-USAID JSP every four years and work with Department partners on other enterprise strategies. Based on those high-level priorities, BP and F develop guidance, establish timelines, and closely review submitted mission and bureau strategies for consistency with guidance and best practices. These processes emphasize the usefulness of strategic plans as a management tool when regularly monitored and reviewed to assess progress, course correct, and inform resource decisions. BP collaborates with all missions and bureaus in the Department on strategic planning and thus advances all JSP goals and objectives, but this work especially supports JSP Objective 4.2: Modernize IT and leverage data to inform decision-making and support mission delivery.
- **Bureau Objective 3.1 Risk Considerations:** The culture of strategic planning has not yet been institutionalized as a standard operating procedure across the entire enterprise. It is further hampered by a lack of awareness of the benefits it brings and a lack of technical capacity across bureaus and missions. To mitigate these risks, BP is working to revamp and improve training offered to Department strategic planners through FSI, resulting in more personnel equipped with the skills to advance the implementation, monitoring, and review of the State-USAID FY 2022-2026 JSP and bureau and mission strategies. BP will also improve its strategic communications to highlight to a broader audience the usefulness of strategies as a tool for organizational management.

Bureau Objective 3.2: Facilitate the adoption of enterprise-wide performance management and learning processes to inform decision-making.

- **Bureau Objective 3.2 Justification and Linkages:** BP is committed to institutionalizing performance management throughout the Department via the utilization of sound program design and performance management plans, as well as measuring the implementation and impact of strategies and programs. BP seeks to have evaluations, research, and performance data inform decision-making, foster adaptive change, and articulate progress against strategies with data. BP will continue to improve the Department's ability to assess progress on strategic and programmatic priorities by refining annual bureau and mission strategic reviews. BP collaborates with all missions and bureaus in the Department on performance management and learning to advance all JSP goals and objectives, but this work especially supports JSP Objective 4.2: Modernize IT and leverage data to inform decision-making and support mission delivery.
- **Bureau Objective 3.2 Risk Considerations:** Stakeholders will not adopt these processes if they do not understand the value of monitoring and learning, if they lack the necessary information to implement these processes, or if they do not have access to helpful systems for doing so. To prevent these shortcomings, BP works closely with bureaus and missions to apply performance management best practices during existing strategic planning and budget formulation processes. In partnership with F, BP also produces resources to support bureaus and missions and hosts an Evaluation Community of Practice to convene stakeholders. The bureau also co-leads the Department's Learning Agenda to advance a culture of learning.

Bureau Objective 3.3: Institutionalize stronger feedback loops in the Managing for Results (MfR) framework to better measure Diplomatic Engagement.

- **Bureau Objective 3.3 Justification and Linkages:** BP continues to model and share promising practices in planning, budgeting, program management, and learning as a co-manager of the MfR framework. BP will continue to advance recent progress made to ensure that planning, performance, and learning can inform resource decision-making and identify the outcomes of Department funded efforts. BP oversees the MfR framework for the entire Department's efforts, thus advancing all JSP goals and objectives, but most directly supports Goal 4: Revitalize the diplomatic and development workforce and institutions.
- **Bureau Objective 3.3 Risk Considerations:** The greatest risk to strengthening the integration of the Department's planning, budgeting, managing, and learning processes is a lack of sufficient coordination within and between bureaus, offices, and missions. Feedback loops allow for process improvements and streamlined integration. Due to BP's centralized position within the Department, the bureau has the opportunity to advocate for and lead on process integration and coordination to prevent new and eliminate existing stove pipes through the implementation of specific, enterprise-wide, reporting requirements.

4. Bureau Cross-Cutting Management Goal

Bureau Cross-Cutting Management Goal 4: Advance and optimize execution of BP's mission through focused investments and utilization of our talented workforce and information technology.

- **Bureau Cross-Cutting Management Goal 4 Description:** BP serves a central management role for the Department which is supported by BP's own personnel, information, and technology. Our goals hinge on recruiting and retaining top talent; cultivating a resilient, diverse, and inclusive workforce; pursuing efficiency in its operations; and utilizing secure and modern IT systems. These efforts position BP to optimize its performance, as the Department delivers on its promises to the American public.

Bureau Cross-Cutting Management Objective 4.1: Model an innovative, collaborative, connected, and inclusive organizational culture through the empowerment of a skilled, diverse BP workforce.

- **Bureau Cross-Cutting Management Objective 4.1 Justification and Linkages:** BP's success relies on the talent of its workforce and the health of its organizational culture. BP acknowledges the importance of fostering a diverse, equitable, inclusive, and accessible workplace for all. The COVID-19 pandemic has caused personal and professional challenges for many, but this collective experience concurrently presents an opportunity to reassess how the bureau and its people can best operate. BP will assess various phases of its workforce management – from recruitment to onboarding to retention – to identify areas for improvement in fostering diversity, equity, inclusion and accessibility (DEIA); promoting the growth of its employees; and nurturing a resilient, productive workplace. This objective affirms JSP Objective 4.1: Build and equip a diverse, inclusive, resilient, and dynamic workforce, and supports Executive Order 14035 on DEIA in the federal workforce.

- **Bureau Cross-Cutting Management Objective 4.1 Risk Considerations:** Risks to achieving this objective include ineffective recruitment efforts, stove piping information among teams, and the frequent shifts in operating posture necessitated by the ongoing COVID-19 pandemic. To mitigate these risks, BP is focusing on the health and resilience of the organization and providing its staff with the tools, training, and support they need to thrive. BP and CGFS are establishing a DEIA Council comprised of representatives from both bureaus to combat obstacles to DEIA in the workforce.

Bureau Cross-Cutting Management Objective 4.2: Streamline BP policies, procedures, and operations to enhance decision-making and efficiency.

- **Bureau Cross-Cutting Management Objective 4.2 Justification and Linkages:** The effectiveness of BP's operations has a critical impact on Department operations. To strengthen our agility and efficiency, BP will continue to improve its oversight of core management operations, identify bottlenecks for elimination, reduce timelines, and implement process changes in its operations. Where possible, BP will eliminate redundancies or build in task automation, such as making improvements to its internal SharePoint platforms for bureau clearance and collaboration, to free up time for its analysts to focus on higher value analysis work. BP will also ensure that it maintains high standards of oversight for work being done under contract. These efforts most directly support JSP Goal 4: Revitalize the diplomatic and development workforce and institutions.
- **Bureau Cross-Cutting Management Objective 4.2 Risk Considerations:** Risks to achieving sound decision-making and operational efficiency include lack of internal coordination, inefficient systems for collaborating and sharing information, and insufficient oversight or knowledge of management operations. The bureau will mitigate these risks and improve operational functionality by leveraging modern software and automation technology where practical, developing and disseminating standard operating procedures, and ensuring effective oversight of BP's contracts and acquisitions.

Bureau Cross-Cutting Management Objective 4.3: Implement modernized and better-integrated budget and performance IT systems.

- **Bureau Cross-Cutting Management Objective 4.3 Justification and Linkages:** Producing high-quality results requires empowering staff with technology tools that are easy to use and fit for the purpose, so that staff spend less time finding and formatting data and more time analyzing. Tailored tools and data must be built upon core business questions and in an agile fashion to minimize the need for cuff records and redundant tools. BP is in the process of enhancing and integrating its systems related to budgeting, performance management, and strategic planning to ensure they meet business requirements and provide the best possible platform upon which BP staff and operations can succeed. This effort supports JSP Objective 4.2: Modernize IT and leverage data to inform decision-making and support mission delivery.
- **Bureau Cross-Cutting Management Objective 4.3 Risk Considerations:** Risks to implementing an upgraded budget and performance system include: unexpected technical errors or limitations; issues with awarding or completing a contract that meets all business requirements within budget; and challenges with migrating data and processes from the existing system to the new platform under development. BP is working to mitigate these risks by undergoing a comprehensive contract solicitation process to ensure the upgraded system meets all mission requirements and the bureau's contract oversight process allows us to avoid risks of delays or unnecessary expenditures.